

1 QUINN EMANUEL URQUHART & SULLIVAN, LLP

Charles K. Verhoeven (Bar No. 170151)

2 charlesverhoeven@quinnemanuel.com

Melissa Baily (Bar No. 237649)

3 melissabaily@quinnemanuel.com

James Judah (Bar No. 257112)

4 jamesjudah@quinnemanuel.com

Lindsay Cooper (Bar No. 287125)

5 lindsaycooper@quinnemanuel.com

50 California Street, 22nd Floor

6 San Francisco, California 94111-4788

Telephone: (415) 875-6600

7 Facsimile: (415) 875-6700

8 Marc Kaplan (*pro hac vice*)

marckaplan@quinnemanuel.com

9 191 N. Wacker Drive, Ste 2700

Chicago, Illinois 60606

10 Telephone: (312) 705-7400

Facsimile: (312) 705-7401

11
12 *Attorneys for GOOGLE, LLC*

13 UNITED STATES DISTRICT COURT

14 NORTHERN DISTRICT OF CALIFORNIA

15 SAN FRANCISCO DIVISION

16 GOOGLE LLC,

17 Plaintiff,

18 vs.

19 SONOS, INC.,

20 Defendant.

Case No. 3:20-cv-06754-WHA

Related to Case No. 3:21-cv-07559-WHA

**GOOGLE LLC'S MOTION FOR
RECONSIDERATION OR
CLARIFICATION**

Location: Courtroom 12, 19th Floor

Judge: Hon. William Alsup

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1 **NOTICE OF MOTION AND MOTION**

2 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

3 PLEASE TAKE NOTICE that pursuant to Northern District of California Civil Local Rule
 4 7-9(b)(3), Plaintiff Google LLC (“Google”) hereby moves this Court to reconsider and clarify its
 5 October 18, 2022 Order Entering Summary Judgment As To The Validity Of The ’885 Patent (Dkt.
 6 382) (“Order”). As required by Civil Local Rule 7-9, Google respectfully contends, as discussed
 7 more fully below, that the Order includes “[a] manifest failure by the Court to consider material
 8 facts or dispositive legal arguments which were presented to the Court before such interlocutory
 9 order.” On December 29, 2022, this Court granted leave for Google to file this motion. See Dkt.
 10 443.

11 **MEMORANDUM OF POINTS AND AUTHORITIES**

12 **I. INTRODUCTION**

13 Google respectfully requests that this Court reconsider its summary judgment Order and also
 14 clarify that the Order applies only to claim 1 of U.S. Patent No. 10,848,885 (“the ’885 patent”).

15 *First*, reconsideration is warranted because the Order conflicts with well-settled law in
 16 concluding that Google waived arguments for invalidity by not raising them on summary judgment.
 17 The Federal Circuit has held consistently that a party does not waive arguments simply because it
 18 does not raise them on summary judgment. Indeed, the Federal Circuit specifically has applied this
 19 principle where, as here, the patentee moves for summary judgment only on infringement and the
 20 alleged infringer raises some but not all arguments for invalidity in its summary judgment briefing.
 21 In that situation, the court cannot *sua sponte* grant summary judgment of validity, treating the
 22 unraised arguments as waived. Because Sonos did not move for summary judgment of validity,
 23 Google had no obligation to raise all invalidity arguments on summary judgment, and this Court
 24 could not *sua sponte* grant summary judgment of validity.

25 *Second*, Google requests clarification that this Court’s ruling applies only to claim 1 of the
 26 ’885 patent. While there is arguably broader language in the Order regarding the validity of the
 27 patent, only claim 1 is at issue in the relevant filings, and the Order should be so limited.
 28

1 **II. LEGAL STANDARD**

2 A motion for reconsideration is appropriate when there was “a manifest failure by the Court
3 to consider material facts or dispositive legal arguments presented before entry of judgment.” Civil
4 Local Rule 7-9(b); *see also School Dist. No. 1J, Multnomah County, Or. v. ACandS, Inc.*, 5 F.3d
5 1255, 1263 (9th Cir. 1993) (“Reconsideration is appropriate if the district court . . . committed clear
6 error or the initial decision was manifestly unjust. . .”). This Court has allowed for reconsideration
7 before where it had granted summary judgment to a party notwithstanding that the party had not
8 filed a motion for summary judgment. *See Miller v. Peter Thomas Roth, LLC*, No. C 19-00698
9 WHA, 2020 WL 1433184, at *1-2 (N.D. Cal. Mar. 24, 2020). In *Miller*, while this Court initially
10 granted summary judgment against the plaintiff on the merits, on reconsideration, this Court
11 recognized that the defendants “did not move against the merits of her claim,” but “only against her
12 standing.” *Id.* at *1. Thus, because “the movant always bears the *initial* responsibility to
13 demonstrate the absence of a genuine issue of material fact,” and “as [the defendants] demonstrated
14 no absence of material fact as to the *merits* of Ms. Miller’s claim, summary judgment was improper.”
15 *Id.* (cleaned up; emphasis in original). Likewise, here, reconsideration is warranted because Sonos
16 did not move for summary judgment on validity.

17 **III. BACKGROUND**

18 Sonos moved for summary judgment of infringement of claim 1 of the ’885 patent. Dkt.
19 208. Google opposed Sonos’s summary judgment motion, arguing there was no infringement, in
20 part because the claim is invalid under 35 U.S.C. §§ 101 and 112. Dkt. 249. This Court granted
21 Sonos’s motion for summary judgment of infringement of claim 1. Dkt. 309. That order also
22 construed Google’s opposition as a cross-motion for summary judgment of non-infringement and
23 invalidity under § 101 and § 112, and denied that motion. *Id.* This Court then issued an order to
24 show cause “as to why the Court should not *sua sponte* enter summary judgment in favor of Sonos
25 on the issue of validity of claim 1 of the ’885 patent.” Dkt. 339 at 2. In response to the order to
26 show cause, Google argued that it should be permitted to argue at summary judgment or trial that
27 claim 1 is invalid as anticipated and obvious. Dkt. 351. This Court held: “The order to show cause
28 . . . was not intended to provide Google a second bite at the apple. It would not have been allowed

1 to spring new invalidity theories at trial and cannot do so now.” Order at 2. And it concluded that
 2 “summary judgment is **GRANTED** in favor of Sonos on the issue of validity of the ’885 patent.” *Id.*
 3 at 3. Google filed a motion for leave to file a motion for reconsideration and clarification, which
 4 this Court granted on December 29, 2022. Dkt. 443.

5 **IV. THIS COURT SHOULD RECONSIDER ITS RULING THAT GOOGLE WAIVED**
 6 **BASES FOR INVALIDITY NOT RAISED ON SUMMARY JUDGMENT**

7 The law is clear that a party does not waive an argument by not raising it in a motion for
 8 summary judgment or in an opposition to summary judgment on a separate issue. *Mikkelsen*
 9 *Graphic Eng’g, Inc. v. Zund Am., Inc.*, 541 F. App’x 964 (Fed. Cir. 2013), is directly on point. In
 10 *Mikkelsen*, the patentee moved for summary judgment of infringement and the alleged infringer
 11 moved for summary judgment of non-infringement and invalidity on anticipation and on-sale bar
 12 grounds. *Id.* at 965, 967. The district court granted the patentee’s motion for summary judgment
 13 of infringement, and denied the alleged infringer’s motions for summary judgment of non-
 14 infringement and invalidity. *Id.* at 967. The district court later issued a protective order precluding
 15 further discovery on invalidity. *Id.* at 969. “The district court apparently viewed [its summary
 16 judgment] order as disposing of [alleged infringer’s] other invalidity defenses as well.” *Id.* at
 17 972. The Federal Circuit “vacate[d] the district court’s grant of summary judgment of no invalidity”
 18 because:

19 As Supreme Court precedent and our own cases establish, patent infringement and
 20 patent validity are treated as separate issues. A patentee’s motion for summary
 21 judgment of infringement does not implicitly include a motion on the issue of
 22 invalidity, and an alleged infringer’s failure to raise an invalidity defense in
 23 opposition to a motion for summary judgment of infringement is not a waiver of that
 24 defense.

25 *Id.* at 972, 974 (cleaned up).

26 This holding necessarily follows from the general principle that “because summary
 27 judgment is only appropriate where there are no genuine issues of material fact, Fed. R. Civ. Pro.
 28 56(c), its failure to so move likely indicates its sense that issues of material fact exist, not an intent
 to abandon its . . . claim.” *Mitutoyo Corp. v. Cent. Purchasing, LLC*, 499 F.3d 1284, 1291 (Fed.
 Cir. 2007). “[W]e know of no cases . . . stating that a plaintiff must raise every legal issue in his
 motion for summary judgment.” *Id.* (quoting *Flynn v. Sandahl*, 58 F.3d 283, 288 (7th Cir. 1995)).

1 And the Federal Circuit has applied this principle to reject district court rulings to the contrary. *See*
 2 *id.*; *Euclid Chemical Co. v. Vector Corrosion Technologies, Inc.*, 561 F.3d 1340, 1345 (Fed. Cir.
 3 2009) (vacating district court’s dismissal of alleged infringer’s bona fide purchaser claim based on
 4 alleged infringer’s failure to move for summary judgment on the claim because the bona fide
 5 purchaser claim was never mentioned in patentee’s summary judgment motion and alleged infringer
 6 therefore had no obligation to address the claim in responding to patentee’s motion); *Fin Control*
 7 *Systems Pty, Ltd. v. OAM, Inc.*, 265 F.3d 1311, 1321-22 (Fed. Cir. 2001) (vacating “the district
 8 court’s *sua sponte* grant of summary judgment of invalidity and unenforceability . . . because it did
 9 not provide the parties with adequate notice or an opportunity for FCS to present evidence and
 10 argument in opposition to the motion”); *NeuroGrafix v. Brainlab, Inc.*, 787 F. App’x 710, 717 (Fed.
 11 Cir. 2019) (“The MDL court’s ruling was contrary to those basic principles in that it granted
 12 summary judgment against NeuroGrafix for its failure to come forward with evidence to answer a
 13 non-infringement ground that had not been asserted and of which it had not been given proper
 14 notice.”); *Massey v. Del Lab ’ys, Inc.*, 118 F.3d 1568, 1573 (Fed. Cir. 1997) (“Because the district
 15 court granted summary judgment to a non-movant on a ground for which a full and fair opportunity
 16 to proffer material evidence was not offered, this court must vacate and remand.”); *see also, e.g.,*
 17 *Move, Inc. v. Real Estate Alliance Ltd.*, 221 F. Supp. 3d 1149, 1157 (C.D. Cal. 2016) (“[W]e are
 18 aware of no authority suggesting that [a party] was required to move for summary judgment on its
 19 § 101 argument in order to preserve this argument.”).

20 Under these precedents, Google did not waive its arguments for anticipation and obviousness
 21 by not raising them in its opposition to Sonos’s motion for summary judgment of infringement.
 22 Sonos did not move for summary judgment of validity, and thus Google had no obligation to raise
 23 all of its invalidity arguments in opposing Sonos’s motion. And just as in *Mikkelsen*, the fact that
 24 Google raised *some* invalidity issues in opposing summary judgment did not require Google to raise
 25 *all* invalidity issues at that time.

26 Moreover, a waiver requires a knowing abandonment of a claim, and that unquestionably
 27 did not occur here. “A waived claim or defense is one that a party has knowingly and intelligently
 28 relinquished.” *Wood v. Milyard*, 132 S. Ct. 1826, 1832 n.4 (2012). Google raised its arguments for

1 obviousness and anticipation in its expert reports and invalidity contentions served on Sonos. *See*
2 Dkts. 350-4 at 153-246; 350-5 at 247-470; 350-8; 397-3 at 24-25, 68-77. There was no order
3 requiring Google to raise these arguments at any other time. In particular, the order on the
4 showdown procedure said nothing about a requirement to raise *all* issues on summary judgment.
5 Dkt. 206. Thus, based on the case law and principles discussed above, Google had no notice or
6 reason to believe it was required to move for summary judgment on anticipation and obviousness
7 in order to preserve them for trial. Indeed, some of Google’s arguments for anticipation and
8 obviousness may not have been amenable to summary judgment—but rather are appropriate for
9 resolution at trial—because they concern disputed factual issues. Google did not knowingly and
10 intelligently relinquish its invalidity claim based on obviousness and anticipation where there was
11 no order, rule, or case suggesting that it needed to raise those arguments on summary judgment—
12 and where there is clear precedent to the contrary.

13 In addition, a court “may not sua sponte grant summary judgment on a particular ground
14 without giving the non-moving party notice and an opportunity to present evidence and argument
15 in opposition.” *Eon-Net LP v. Flagstar Bancorp*, 249 F. App’x 189, 193-94 (Fed. Cir. 2007). This
16 Court first provided notice that it would decide validity on summary judgment (notwithstanding that
17 Sonos did not move on this ground) in its September 1, 2022 order. Dkt. 339 at 2. But when Google
18 then raised its arguments for invalidity in response to this order, *see* Dkt. 351, this Court ruled that
19 Google’s arguments came too late, *see* Order at 2. Thus, this Court erroneously deprived Google of
20 the opportunity to present evidence and argument with respect to anticipation and obviousness. The
21 ruling is especially problematic because, even assuming that Google could have anticipated the
22 Court’s claim construction ruling (*see* Order at 2-3), Google still has the right to raise invalidity
23 arguments based on that new construction. *See Mikkelsen*, 541 F. App’x at 973 (“Given the district
24 court’s revision of its claim construction, which we now affirm, it would be particularly
25 inappropriate to assume that [the alleged infringer] has had adequate opportunity to oppose the sua
26 sponte entry of summary judgment on invalidity.”).

27 Finally, *Pandrol USA, LP v. Airboss Ry. Prods., Inc.*, 320 F.3d 1354 (Fed. Cir. 2003) does
28 not support waiver here. The part of *Pandrol* cited in the Order concerned the defendants’ “fail[ure]

1 to separately discuss the infringement liability of defendants other than Airboss Rail way Products,
 2 Inc. or offer specific evidence as to the liability of each defendant” even though “[t]he plaintiffs’
 3 motion [for summary judgment] specifically sought a finding of infringement as to all defendants.”
 4 *Id.* at 1366. Here, in sharp contrast, Sonos did not move for summary judgment on validity. Indeed,
 5 also in *Pandrol*, the Federal Circuit held that “the issue of invalidity is a separate issue from
 6 infringement, and an alleged infringer’s failure to raise it in opposition to a motion for summary
 7 judgment of infringement is not a waiver.” *Id.* at 1365. Sonos moved for summary judgment only
 8 as to infringement, *not* validity, and thus Google had no obligation to raise every (or any) argument
 9 on invalidity in its opposition—and Google raising some bases for invalidity on summary judgment
 10 did not require it to raise all, as *Mikkelsen* confirmed.¹

11 **V. THIS COURT SHOULD CLARIFY THAT THE ORDER IS LIMITED TO CLAIM**
 12 **1 OF THE ’885 PATENT**

13 In addition, Google respectfully requests that the Court permit a motion for clarification that
 14 the Order is confined to claim 1, and does not establish validity of the patent as a whole. This Court
 15 limited the showdown procedure to one claim for each party, *see* Dkt. 206, and Sonos chose claim
 16 1 of the ’885 patent. And the Order’s reasoning repeatedly references claim 1. *See* Order at 1. This
 17 Court’s order granting leave to file a motion for reconsideration specifically characterized the Order
 18 as “entering summary judgment in favor of Sonos as to the validity of claim 1 of the ’885 patent.”
 19 Dkt. 443. Thus, there was no basis for the Order to decide anything with respect to other claims of
 20 the ’885 patent, which were not at issue, and for which Google had no notice or opportunity to raise
 21 any arguments. Nonetheless, the conclusion states that summary judgment is granted as to “the
 22 validity of the ’885 patent.” Order at 3. While Google does not believe that the Court intended its

23 _____
 24 ¹ The cases Sonos cites (Dkt. 349 at 4-5) are likewise inapposite. In *Finjan, Inc. v. Juniper*
 25 *Networks, Inc.*, 3:17-cv-05659-WHA (N.D. Cal. Sept. 29, 2017), this Court said nothing about the
 26 parties’ disagreement over whether arguments not raised on summary judgment could be raised at
 27 a later stage of the litigation. *See id.*, Dkts. 262 at 6 n.3; 301 at 1. In *Synkloud Technologies, LLC*
 28 *v. Adobe, Inc.*, 3:20-cv-07760-WHA (N.D. Cal. Nov. 3, 2020), this Court explicitly recognized the
 right to make other invalidity arguments after summary judgment. *See id.*, Dkt. 146 at 2 (“While
 this order disregards Adobe’s cross-motion, it *will* consider all of Adobe’s substantive arguments,
 including invalidity as a defense to infringement, as opposition briefing to Synkloud’s summary
 judgment motion. *This order should not be construed to preclude Adobe from moving for a*
declaration of invalidity for claim 9 in the future. In the meantime, its invalidity arguments will
 simply be considered as a basis for noninfringement.”) (emphasis in original and added).

1 ruling to extend beyond claim 1, Google respectfully requests that—given the broader language at
2 the end of the Order—this Court clarify that the Order is limited to claim 1.

3 **VI. CONCLUSION**

4 For the foregoing reasons, this Court should grant reconsideration of the Order, vacate the
5 entry of summary judgment as to validity, and make clear that the Order is limited to claim 1.

6
7 DATED: January 9, 2023

QUINN EMANUEL URQUHART & SULLIVAN,
LLP

8
9 By /s/ Charles K. Verhoeven

10 Charles K. Verhoeven

11 Melissa Baily

James Judah

Lindsay Cooper

12 Marc Kaplan

13 *Attorneys for GOOGLE, LLC*
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CERTIFICATE OF SERVICE

Pursuant to the Federal Rules of Civil Procedure and Local Rule 5-1, I hereby certify that, on January 9, 2023, all counsel of record who have appeared in this case are being served with a copy of the foregoing via the Court's CM/ECF system and email.

/s/ Charles K. Verhoeven
Charles K. Verhoeven